

From: George S. Forde, Jr.
To: Microsoft ATR
Date: 1/11/02 6:04pm
Subject: Microsoft Settlement

Please see attached letter

CC: Microsoft's Freedom To Innovate Network

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Sunday, 27 January, 2002

FACSIMILIE & E-Mail¹

Honorable John Ashcroft
Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001

Dear General Ashcroft,

Public opinion regarding the settlement of the antitrust case between Microsoft and the US Department of Justice has been solicited. I offer this opinion as one who has been an interested user of computers for personal and business purposes since 1978 (before there was a Microsoft). This has made me a bit of a student of industry and, eventually, an investor in technology. So, I must admit to significant [for me] holding in MSFT—as well as in companies that might be considered to be its antagonists in this matter. Still, I am not an apologist for Microsoft and believe that, on balance, I must agree with the presentation of this settlement made to the Judiciary Committee by Mr. James of your office on 12 December.

Microsoft is a monopoly. Paradoxically, I believe it got there, in part, with the help of competitors like Apple,² IBM³ and others who just failed to properly market sometimes superior product. Contrary to its claims,⁴ the company is not particularly innovative, and its first offerings of its [E.g., MultiPlan, DOS, Windows, Excel, Explorer, and so on] have been acquired and, at first, poorly implemented compared to others [Such as VisiCalc, Lotus, or Resolve; CP/M and MacOS; Netscape...].

However, Microsoft rather than being *anti*-competitive is *hyper*-competitive. It learns from its mistakes and is increasingly better at execution of the ideas, whatever the source, and it continually improves on them. It delivers what the consumer demands [eventually] at a [hopefully] reasonable cost. For its own good, Microsoft cannot afford to have the rivals all go away, though many have. Neither the Department nor the defendant got all the marbles at end of this case. That's the nature of a legal settlement. What has been crafted seems, to me, to serve the best interests of the public and the industry.

* Note: Due to the Excite@Home bankruptcy, this address will be inoperative after 2/28/02; from 3/1/02 forward (possibly earlier), please use georgeforde@Comcast.NET.

¹ Signed original available on request

² Which bundled the MS spreadsheet "MultiPlan" with the first Macs.

³ Which opened the PCjr to DOS.

⁴ But do really like Mr. Gates, based on a couple of brief encounters at a local users' group and more distant observation over the years. He and Microsoft have done a great deal for all computer users.

One thing to remember is that, while the focus of the case has been the “Wintel World,” and allegations of maintenance of the OS monopoly; however, the market is much larger than that. For example, while I use both Widows and MacOS, I very much prefer the latter, but I use the same Microsoft applications [I.E. and Office] on both platforms.

I am concerned, therefore, that a separate settlement by the non-joining states—if it follows the path offered to them by Microsoft—would actually weaken the effect of this settlement by making those states accomplices in plan to cannibalize the Apple [and other] share of the education market. No need to spell out the obvious here, but, if the states want compensation, it should be paid outright or in the form of grants to technological projects and spending not defined by the defendant. If possible, those states should not be allowed to make a separate peace that would undermine this one.

Sincerely,

George S. Forde, Jr.

cc: Senator Rick Santorum
(facsimile only)
Microsoft’s Freedom to Innovate Network
(facsimile only)